

Minutes of: CALIFORNIA STATE ATHLETIC COMMISSION
Meeting Specifics: Regular Commission Meeting
July 19, 2001 – 9:00 a.m.
El Segundo – Embassy Suites
1440 East Imperial Avenue
El Segundo, CA

1. CALL TO ORDER BY CHAIRMAN

Commissioners Present: Manuel “Cal” Soto, Chairman
Elmer Costa, Vice-Chairman
Alvin Ducheny
Van Gordon Sauter
Sanford Michelman

Staff Present: Rob Lynch, Executive Officer
Don Chang, DCA Legal Counsel
Earl Plowman, Deputy Attorney General
Dean Lohuis, Chief Inspector
Sal Barajas, Assistant Chief Inspector
Leydis Church, Associate Governmental Program Analyst
Kathy Chilimidos, Staff Services Analyst

2. APPROVAL OF MAY 24, 2001 COMMISSION MEETING MINUTES

There were no corrections.

Action: Motion by Commissioner Sauter and seconded by Vice-Chairman Costa to approve the May 24, 2001 minutes.

Vote: Unanimous

3. SUMMARY OF CHAIRMAN ACTIVITIES SINCE LAST MEETING

Chairman Soto reported that he had watched several televised fights and had discussed the outcomes of the bouts with Mr. Lynch. In addition, he stated that he along with Vice-Chairman Costa, Commissioners Ducheny, Sauter, and Michelman, Ms. Scuri, Mr. Plowman, Mr. Lynch, Mr. Lohuis, and Mr. Barajas attended the Medical Advisory Committee Meeting in Los Angeles on July 7, 2001. He noted that the meeting was very informative and productive.

4. SUMMARY OF EXECUTIVE OFFICER ACTIVITIES SINCE LAST MEETING

Mr. Lynch reported that on June 11, 2001, he and Commissioner Ducheny met with Senator Sher regarding the Sports Agent Bill (SB694). Since this topic was an item at the meeting, Mr. Lynch informed the commission that he would address this subject during Agenda Item 10.

Mr. Lynch informed the commission that AB286, which was Assemblymember Cedillo's pension bill, was passed by the Senate Committee on Business and Professions on June 25, 2001.

Mr. Lynch reported that he and Mr. Plowman conducted three out of five scheduled arbitration hearings on July 6, 2001.

Mr. Lynch informed the commission that on July 9, 2001 SB694, which was Senator Sher's Athletic Agent bill, was passed by the Assembly Committee on Governmental Organization.

Mr. Lynch informed the commission that for the three-world title bouts scheduled for July 28, 2001 at the Staples Center; nine of the twelve officials assigned were California officials. He stated that staff negotiated with the sanctioning bodies regarding the assignment of the three remaining judges. He noted that those judges were assigned after close scrutiny by staff because many of the sanctioning organizations were notorious for selecting inept judges.

At that point, Mr. Lynch informed the commission that Ms. Church had passed out the Medical Board newsletter, which the commission used to solicit physicians to become members of the commission's Medical Advisory Committee.

Mr. Lynch informed the commission that he would be departing for New Orleans on July 22, 2001 for the annual Association of Boxing Commissions Convention.

Lastly, Mr. Lynch informed the commission that staff was very busy due to six shows in a two-day period.

Chairman Soto asked Mr. Lynch if he felt that the upcoming Roy Jones Jr. vs. Julio Gonzalez bout was a mega-fight. Mr. Lynch stated that he personally did not feel that it was a mega-fight but the boxing public probably felt that it was. Chairman Soto stated that he thought that it would be because Roy Jones was a mega-fighter and the amount of revenue would be great. Mr. Lynch concurred with the revenue part but he did not feel that it would attract the number of attendance, as was the case of the De La Hoya vs. Mosley fight. Mr. Lynch noted that this fight would test AB52, which capped the commission's taxes at \$100,000.

5. APPEAL OF RETIREMENT - RECONSIDERATION - ACTION

5.1 Luis Tapia - Second - Reconsideration

Mr. Barajas informed the commission that this was the second time Mr. Tapia appeared before the commission for the reconsideration of the suspension of his second's license. Mr. Barajas noted that at a previous commission meeting, the commission voted to uphold Mr. Tapia's suspension until December 31, 2001. At that point, Mr. Barajas informed the commission that they could decide on whether to proceed with the reconsideration hearing or to uphold the suspension as was voted on at the previous meeting. With that in mind, he requested input from the commission.

Commissioner Ducheny recommended to the commission to not reconsider the suspension of Mr. Tapia's second's license and to uphold the current suspension with the date of suspension ending on December 31, 2001.

At that point, Commissioner Sauter asked Commissioner Ducheny why he did not want to hear the reconsideration of Mr. Tapia's suspension. Commissioner Ducheny stated that Mr. Tapia endangered the life of one of his fighters because he allowed his fighter to accept a fight after he knowingly knew his fighter had just fought a hard fight. He added that Mr. Tapia lied to the commission but the truth came out at a previous meeting and Mr. Tapia's only defense was that his fighter needed to make more money. Commissioner Ducheny expressed that he strongly disagreed with hearing the issue over because he was truly upset at Mr. Tapia for endangering the life of one of his fighters.

Commissioner Sauter concurred but he wanted to know why this issue was placed on the agenda again for the commission's reconsideration. At that point, Commissioner Michelman asked if there was additional information that was going to be addressed at the meeting, which was not addressed at the previous meeting. If there was additional information that would have a bearing on Mr. Tapia's reconsideration, Commissioner Michelman felt that it should be heard.

Mr. Barajas informed the commission that the only thing that the commission received from Mr. Tapia was a written request to be placed on the agenda for the commission's reconsideration. He noted that there was no other information or facts that were included to support the reconsideration. He pointed out that pursuant to commission's rules and regulations it provided that all licensees could request a reconsideration of suspensions and/or fines, however the commission had the option to not hear the reconsideration. He asked the commission for input.

After consultation with Mr. Plowman, Mr. Chang advised the commission that the commission could ask Mr. Tapia if he had new information that would back up his petition for reconsideration of the suspension of his second's license. He added that if Mr. Tapia did not have any new information then the commission could grant or deny the reconsideration of the suspension.

At that point, Commissioner Ducheny asked Mr. Tapia if he had new information to supply the commission regarding the reconsideration of his second's license. Mr. Tapia stated that he did and he felt that he should not be suspended until the end of the licensing year because he felt that the five months he already had been suspended for was sufficient. He added that he never intentionally set up a fight for his fighter nor did he lie to the commission, the promoter, or the matchmaker. He stated that the promoter and the matchmaker knew that his fighter, Mr. Abdullai, fought in Baltimore before he accepted the fight in California. He noted that the fight was four days after the fight in Baltimore but in the State of California the law states that a fighter must wait seven days until he could fight again so basically he was misinformed on the rules and regulations of the State of California.

Mr. Tapia agreed that he made a mistake but he stressed that he did not intentionally jeopardize the health and safety of his fighter. He stated that he managed several fighters, trained several fighters, and also fought professionally for 10 years. He noted that it was not about money because he was already financially secure before he entered the boxing game due to other business ventures and he reiterated that he did not intentionally jeopardize the health and safety of his fighter.

Vice-Chairman Costa stated that Mr. Tapia was a second and he wanted to know why Mr. Tapia referred to himself as a manager. Mr. Tapia stated that he was licensed as a manager in the State of Nevada but not in the State of California. He added that he bought a gym in Las Vegas about a year ago so he became licensed as a manager to manage fighters. He pointed out that he was going to start the process to become licensed in the State of California as a manager but his second's license was suspended so he put it on hold. He once again reiterated that he did not intentionally jeopardize the health and safety of his fighter.

At that point, Chairman Soto advised Mr. Tapia that even though he did not intentionally jeopardize the health and safety of his fighter, he still violated the commission's rules and regulations. Chairman Soto asked Mr. Lynch how many days was it before Mr. Tapia accepted the fight for his fighter after the hard fight in Baltimore. Mr. Lynch informed him that it was four days. Mr. Barajas also informed Chairman Soto that Baltimore suspended Mr. Tapia's fighter for 28-days due to the hard fight. Mr. Tapia stated that there was no suspension.

At that point, Mr. Chang stated that the basis to allow Mr. Tapia to speak was to get a summary of his reconsideration but the commission was now considering it. He stated that the commission heard Mr. Tapia's summary of the basis of his reconsideration and he asked if the commission wanted to grant the reconsideration. He noted that if the commission did grant the reconsideration then they could ask questions. Chairman Soto polled the commission.

Commissioner Ducheny stated that he already made a suggestion for a motion but no one had backed it up.

Action: Motion by Commissioner Ducheny and seconded by Chairman Soto to not reconsider Mr. Tapia's suspension.
Vote: 2-1
Ayes: Chairman Soto and Commissioner Ducheny
Noes: Vice-Chairman Costa
Abstention: Commissioner Sauter and Commissioner Michelman

Commissioner Sauter stated that he did not have clarity on the issue at hand. Commissioner Michelman informed Commissioner Sauter that Mr. Tapia was requesting a reconsideration of his suspension. Commissioner Sauter stated that he understood that part of it. At that point, Commissioner Sauter stated that Mr. Tapia made a good case with his reconsideration but the fact of the matter was the facts that Mr. Tapia was referencing were the same facts that were brought up at the last meeting. Commissioner Sauter stated that in his opinion the issue was not whether or not the suspension should be continued. He felt that the issue was that Mr. Tapia needed to come back with new facts for reconsideration.

At that point, Commissioner Ducheny stated that he withdrew his motion because it was not getting enough support.

Commissioner Sauter continued and stated that he would be willing to entertain a discussion as to the severity for the length of the suspension. He added that he did not feel that the commission should revisit the core facts because he was disinclined to hear the same information over but if Mr. Tapia had other facts to base his reconsideration on then it should be heard again. Commissioner Sauter asked Commissioner Ducheny if he concurred with that.

Commissioner Ducheny asked Commissioner Sauter what his statements meant. Commissioner Sauter stated that he made a statement of opinion on his part. Commissioner Ducheny stated that he made a motion but it did not get enough votes so he asked if the commission was now going to reconsider Mr. Tapia's suspension. Commissioner Sauter said no. Mr. Chang stated that the discussion was at the discretion of the commission and the commission would have to take a firmer step to reconsider Mr. Tapia's suspension.

Commissioner Sauter stated that he would support a motion that would detail that given the absence of new information or of a specific plea, the commission was disinclined to continue the process.

Action: Motion by Commissioner Sauter and seconded by Commissioner Michelman that given the absence of new information or a new request on the part of Mr. Tapia the reconsideration hearing was discontinued and the previous suspension will stand.

Before the vote was made, Commissioner Costa asked if Mr. Tapia's suspension was lifted. Commissioner Sauter informed him that the suspension would stand.

For clarity, Commissioner Michelman stated that the motion was to discontinue the reconsideration of the suspension but the commission could reconsider the suspension if new facts became available. At that point, Mr. Plowman stated that the commission already created a final order, which was the suspension of Mr. Tapia's license at a previous meeting, and now the commission heard the reconsideration. Mr. Plowman noted that as far as he was concerned and with the analysis of the Administrative Procedure Act the commission could not go back and reopen disciplinary actions just because someone comes in and keeps requesting reconsideration. He added that Mr. Tapia requested a hearing to appeal the suspension and the commission denied his appeal. Since the commission denied his appeal, Mr. Plowman pointed out that the commission granted a reconsideration hearing and the commission now satisfied itself with fact that there was no new information to prove that there was nothing new or different so the disciplinary process was now closed.

With Mr. Plowman's comments in mind, the commission withdrew the motion. The following motion was made:

Action: Motion by Commissioner Ducheny and seconded by
Commissioner Michelman to not hear the reconsideration of Mr.
Tapia's suspension.
Vote: Unanimous

5.2 Susan Chase - Professional Boxer - Appeal

For the record, it should be noted that Ms. Chase was not present at the meeting.

Commissioner Michelman stated that even though Ms. Chase was not present and due to the information that was provided from staff he concurred with staff recommendation to deny Ms. Chase's appeal and keep her retired from professional boxing.

Action: Motion by Commissioner Michelman and seconded by
Commissioner Ducheny to deny Ms. Chase's appeal and keep her
retired from professional boxing.
Vote: Unanimous

At that point, Mr. Plowman asked the commission if they looked at the letter that staff sent out. Since Ms. Chase provided the commission with a new address on her request for an appeal and the letter that staff sent out confirming her request had an old address, Mr. Plowman asked if staff knew that she actually received the notice. Mr. Barajas ensured Mr. Plowman that she did receive it.

At that point, Chairman Soto asked the commission if the motion still stood as voted. The commission concurred.

Vice-Chairman Costa stated that Ms. Chase almost always fought in 4 round bouts but she was scheduled to fight in an eight round bout which he thought was bad matchmaking. He noted that she was technically knocked out 3 times out of 25 bouts so he felt that the fights that she participated in might have been close fights. He added that she must have been a fair fighter because her purse amounts continued to increase. Mr. Lynch stated that the reason for her purse increases might have been because female fighters were in demand.

Mr. Lynch informed the commission that the reason why staff approved Ms. Chase's bout even though her record reflected 1 win against 23 losses was that Ms. Chase had never been knocked out, always went the distance, and she fought tough fighters. He noted that her record probably was a result of fighting in other states that were notorious for "bad fights". He explained that during Ms. Chase's bout in California she fought a fighter that was making her professional debut. In that bout, Ms. Chase was knocked out in 50 seconds of the third round, which lead staff to retire her license.

Chairman Soto stated that even though Ms. Chase had the courage to fight she did not show the ability to perform so he recommended that she stay retired.

6. PROFESSIONAL BOXERS' PENSION PLAN - INFORMATION

Mr. Lynch introduced Mr. Andy Lowe of First Union Securities. Mr. Lynch informed the commission that Mr. Lowe would address the commission on the state of the Professional Boxers' Pension Plan.

Mr. Lowe explained that the current Plan was established in March of 1999. He stated that First union had established two money markets for the Plan, one of which is Pacific Income and Advisors, a bond portfolio manager, and Brock Survey Capitol Management, an equity portfolio manager.

Commissioner Sauter asked Mr. Lynch if there was someone within the State who advised the commission on the Pension Plan. Mr. Lynch advised him that the commission had an attorney, Mr. Kevin Long. Commissioner Sauter asked Mr. Lynch if there was anyone else that the commission consulted with that provided a professional evaluation as to the performance of the Pension Plan. Mr. Lynch informed him that there was not. With that in mind, Commissioner Sauter stated that this was strictly a judgement on the part of the commissioners. Mr. Lynch concurred.

Mr. Plowman informed Commissioner Sauter that the law provided that the commission was responsible for managing the Pension Plan. Commissioner Sauter concurred but stated that he was unsure if the commission was comprised with persons who had the knowledge of investing, economy, and projections. At that point, Commissioner Sauter asked if the commission had access to persons that were more knowledgeable to evaluate the Pension Plan. Mr. Lynch stated that Mr. Lowe was the person that the commission consulted with concerning the Plan.

Mr. Plowman stated that the commission had used professional management for the Plan. At that point, Commissioner Sauter asked Mr. Plowman how could the commission judge the professionalism of the investment firm handling the Pension Plan. Mr. Plowman stated that First Union was selected after presentations that were given to the commission approximately two years ago. Mr. Lynch stated that it was part of the bid process. Ms. Chilimidos added that Mr. Long was responsible for reviewing the bid process. Mr. Plowman informed Commissioner Sauter that there was no group or staff such as PERS that oversaw the Plan because it was solely the commission's responsibility. Commissioner Sauter stated that he had absolutely no reason to question the ethics of anything that was presented or the performance of First Union, but he wished there was someone with expertise who could say that First Union had done a good job or that they did not meet up to the market performance. Mr. Lynch stated that Mr. Long could provide that opinion for the commission. Ms. Chilimidos concurred.

Ms. Chilimidos stated that Mr. Long was the commission's pension attorney and had been for several years. She informed the commission that that during the bidding process Mr. Long would review all bids submitted and would make the decision on which firm was best suited to handle the Pension Plan. She noted that the bidding process would start again in the next few months.

Ms. Chilimidos informed the commission that First Union made a nominal amount of money handling the Plan. Commissioner Sauter stated that he was not critical of that and the issue was not about how much money First Union made from the Plan. He added that the real concern was if the commission was capable of exercising true stewardship over the Plan by itself. At that point, he requested that anytime a presentation was given regarding the Pension Plan either Mr. Long give an opinion in advance or be present to comment on it. Without the opinion or presence of Mr. Long, Commissioner Sauter did not feel that the commission would be effective on providing oversight for itself.

Chairman Soto asked Commissioner Sauter if he would like Mr. Long to be present at the next meeting. Commissioner Sauter stated that anytime the commission had an official review of the performance of the Pension Plan the commission should have the benefit of expert opinion from the outside.

Action: Motion by Commissioner Michelman and seconded by Vice-Chairman Costa to have the commission's pension attorney, Mr. Kevin Long, present at all meetings when the commission receives presentations or reviews of the Pension Plan.

Vote: Unanimous

Commissioner Michelman requested that Mr. Lowe provide, in advance, copies of the Pension Plan Report prior to future meetings so that the commission could prepare itself with questions and/or comments before the meetings occur. Mr. Lowe concurred.

7. COMMITTEE APPOINTMENTS - ACTION

Mr. Lynch explained that the commission had seven committees, which acted in an advisory capacity to the commission. The committees are as follows:

- Arbitration Committee
- Pension Plan Committee
- Medical and Safety Standards Advisory Committee
- Legislative Committee
- Officials' Committee
- Amateur Boxing Committee
- Martial Arts Advisory Committee

At that point, Mr. Lynch stated that if any of the commissioners were interested in becoming a member of a specific committee(s) Chairman Soto would make the appointments.

The following appointments were made:

- Arbitration Committee
Mr. Lynch and Mr. Plowman
- Pension Plan Committee
Commissioner Michelman and Commissioner Ducheny
- Medical and Safety Standards Advisory Committee
Chairman Soto, Commissioner Sauter, Mr. Lynch, Dr. Paul Wallace, Dr. Smith Ketchum, and Dr. Van Lemons
- Legislative Committee
Commissioner Ducheny and Commissioner Sauter
- Officials' Committee
Chairman Soto, Vice-Chairman Costa, Commissioner Ducheny, and Commissioner Sauter
- Amateur Boxing Committee
Chairman Soto and Commissioner Michelman
- Martial Arts Advisory Committee
Vice-Chairman Costa, Mr. Lynch, Mr. Barajas, Ms. Chilimidos, Mr. Herb Cody, Mr. Nelson Hamilton, Dr. Mark Krieger, Mr. Paul Smith, Mr. Dan Stell, and Mr. Tony Thompson

Chairman Soto recognized the presence of Mr. Nelson Hamilton, member of the commission's Martial Arts advisory Committee, at the meeting. Chairman Soto asked Mr. Lynch if any of the representatives from USA Boxing, Inc. appeared at the meeting. Mr. Lynch informed him that no representatives appeared to represent USA Boxing. He noted that Mr. Lohuis sent the Southern Region of USA Boxing a letter inviting them to attend the meeting but no one showed.

Commissioner Michelman asked Mr. Lynch if anyone responded from USA Boxing saying that they were going to attend. Mr. Lynch stated that no one had contacted staff.

8. UPDATED FINE SCHEDULE - ACTION

Mr. Lynch reported that at the May 24, 2001 meeting, staff presented the current Fine Schedule. He informed the commission that the schedule permitted staff and inspectors in the field to assess fines on licensees in a consistent manner. He noted that the schedule had not been updated since its inception in 1986. He stated that after the May 24th meeting, Commissioner Ducheny met with staff and updated and revised the Fine Schedule. At that point, Mr. Lynch recommended that the commission approve the revised Fine Schedule.

Chairman Soto informed the commission that he had a concern with Rule 390 in relation to the discredit to boxing. He asked if Domestic Violence was a discredit to boxing because it was his understanding that it was and the commission could only fine, suspend, or revoke a license if a licensee was convicted of it. Mr. Lynch concurred. Chairman Soto stated the commission should do its part in enforcing Rule 390 when it came to Domestic Violence as to curtail the increase of the involvement of California fighters.

Vice-Chairman Costa was concerned with Rule 254 under the Promoter Fine. He stated that the promoter should have some say so with whom he wished to have introduced at his show. At that point, Mr. Lynch informed Vice-Chairman Costa that when the Rule was first created its main intention was to keep politicians out of the ring. Mr. Lynch stated that politicians used to use the ring to campaign their race for certain elections and on prior occasions staff had to come into the ring and escort persons out.

Commissioner Ducheny informed the commission that he came up with the new amounts for the fines by following the same structure that was used when the first Fine Schedule was created, which was increasing the fines per offense of the same Rule. He stated that he increased the amounts of serious fines to the maximum of \$2,500, for example, in the area where a manager or promoter abused an official. He noted that he kept fines lower for the boxers due to the lower amount of money they received.

Mr. Roy Englebrecht asked that the commission create another fine or statute that all licensed boxing and martial arts promoters in the State or their designated person appear at commission meetings. He stated that in other sports agencies such as the NBA, NHL, or NFL the owner, representative, or a governor has to be present at the meetings or they would be fined. Since the commission regulates professional sports, Mr. Englebrecht asked that the commission follow suit. He added that if the commission meeting was held in Southern California or Northern California then the promoters in that immediate area should be present. He noted that there was a lot to learn at the meetings and if a promoter was really interested in the business he/she would attend the meetings to hear the happenings in the business of boxing in California. At that point, he recommended a fine of \$1,000 for the violation.

Commissioner Michelman stated that he did not know if the commission had the authority to fine promoters for not attending commission meetings but he noted that there was an agenda item for a future meeting that would require mandatory training for all licensees. Commissioner Ducheny concurred and suggested that under continuing education for licensees the commission could specify certain types of courses which would bring familiarity to the licensees with Commission Rules, but he noted that it would take legislation to require continuing education. At that point, Commissioner Ducheny stated that with the revised Fine Schedule it could have an effect on the education of licensees when it came to the familiarity of Rules due to the new fine amounts.

Commissioner Sauter agreed that there needed to be some type of mandatory education for licensees because it would be equitable for them as well as the commission to have everyone educated with the Rules and Regulations of the commission. He recommended that at least once a year would be sufficient to have the promoters and the commission meet so that all could discuss the changes to the business and also the commission could solicit the promoters' opinions about issues before the commission. He suggested that the meeting be mandatory and failure to appear would result into some type of consequence.

Action: Motion by Commissioner Ducheny and seconded by
Commissioner Sauter to adopt the revised Fine Schedule.

Vote: Unanimous

Mr. Chang informed the commission that the commission approved a guideline for their fines but they were not "hard and fast rules" and they were still subject to change and subject to staff determination as to whether or not the facts indicate a fine.

Dr. Wallace stated that he had to attend a pre-scheduled engagement and asked the commission if they had any questions relating to medical issues. He also asked that his agenda that was submitted for this meeting be tabled for the next meeting in September.

Commissioner Ducheny stated that the agenda and report that Dr. Wallace gave to the commission were the same issues that were discussed at the previous Medical Advisory Committee meeting which all commissioners were present. He asked that Dr. Wallace supply the commission with a request to place certain items on the agenda for the next meeting with back up materials instead of revisiting the whole agenda again because there did not appear to be anything new to address.

Dr. Wallace stated that there were three specific requests that the commission wanted to address and the only thing he was asking was to table those issues until the next meeting. He noted that he was going to report on the outcome of the Medical Advisory meeting at the next scheduled commission meeting as to give an update. He added that he was not going to discuss the entire meeting. He added that he wanted to submit the agenda of the previous Medical Advisory meeting with a formal report on the topics that the commission wanted him to address. At that point, he stated that if the commission did

not want to allow information to be addressed then the commission could state their prerogative.

Mr. Plowman stated that the conversation was going off track and he explained that the question was whether or not to table Dr. Wallace's report until the September meeting. Commissioner Sauter stated that he valued the opinion of Mr. Plowman but he asked Mr. Plowman if that was something one of the commissioners should be saying. Mr. Plowman concurred but stated that he said that to keep the commission on its agenda. Commissioner Sauter stated that the commission was responsible for keeping up on its agenda themselves.

Commissioner Sauter stated that there was not a conflict. He suggested that at the next meeting Dr. Wallace submit in advance all issues and back up material on matters of importance to the commission and its responsibilities to the health and safety of its fighters with regards to the issues that emerged from the Medical Advisory Committee meeting. He added that he was less concerned with what was in the documents because he was more concerned with the precise issues that Dr. Wallace wanted the commission to address and bring resolution to. He noted that if these steps were followed it would satisfy everyone's needs.

Dr. Wallace stated that he needed clarification because during the last 12-months he had problems with how the information gets across. He asked the commission how would they like him to report on incidences that occur a few days before a commission meeting where he sees that a rule or a regulation needed to be either amended or created to fix or address certain situations. He added that as it stood there was no way for him to give or update the commission on the issues because he did not have time to place it on the agenda.

Commissioner Sauter stated that he was not convinced that the commission was in a position to respond to last minute information. He added that if Dr. Wallace came across a circumstance that concerned him in his role as the Chairman of the Medical Advisory Committee he should first bring that information to the Executive Officer and the Chairman. He stated that maybe they could temporarily fix the problem or if it was of major importance a phone meeting could be called to address the certain issue. He informed Dr. Wallace that he had the option at anytime to call and discuss situations with the Executive Officer.

Commissioner Ducheny concurred and stated that maybe most of Dr. Wallace's concerns could be handled more faster if they were directly relayed to the Executive Officer. He stated that if Dr. Wallace wanted action on certain items he would have to put it in writing, supply all back up materials, and staff would notice the item(s) on the agenda.

Commissioner Sauter stated that the commission needed to establish a Business Plan Process, which would allow the commission to add to the Business Plan something that required action or consideration. He noted that that would include Dr. Wallace's three issues that emerged from the Medical Advisory Committee meeting.

9. STRATEGIC PLAN - ACTION

Mr. Lynch reported that the commission's initial Strategic Plan was developed in 1994 and it was updated and revised on an annual or as needed basis. He stated that basically a Strategic Plan was an agency's document that defined its mission, vision, values, goals and objectives. He explained that strategic planning was the process by which the guiding members of an organization apply linked, long-term goals and strategies to their daily operations and decision making to achieve their vision and improve services to their customers. At that point, Mr. Lynch stated that staff wrote it and revised it for commission approval. He asked the commission for their input.

Commissioner Sauter stated that it was of great importance that an organization such as the commission had a Strategic Plan. He explained that a Strategic Plan was fundamentally for an organization of the commission's size with such a narrow responsibility that would almost parallel with a plan of a operating division of a medium size corporation. He stated that the commission's Plan should be brief but it should have at any given time five or six goals that the commission and staff deemed to be the absolutely most important issues before the commission. He added that those goals would either be ones that would be passed through legislation, incorporated into operating procedures, and etc. He noted that the current Plan had a tremendous number of goals and he did not feel that it was an operational, functional, focusing document that said what the commission wanted to get done through the next year. Commissioner Michelman concurred.

Commissioner Sauter stated that the preparation of the Strategic Plan really required active involvement from the part of the commission members because fundamentally it's what the commission wanted to get done over a specific period of time. He added that this was something that the commission needed to work with staff in identifying specific goals. He noted that the commission obviously had medical issues that needed to be addressed as well as the issue of continuing education. He explained that as the commission went through its business it should find and set goals that it could include in the Plan with a timeframe and a plan on how it would be accomplished.

Mr. Lynch stated that he did not feel that it could be accomplished at the meeting so he asked for the commission's approval to schedule a meeting sometime before the next commission meeting solely for the purpose of creating an accurate Strategic Plan.

Ms. Church stated that when she worked at the Acupuncture Board she was involved with the Strategic Plan process. She informed the commission that there was a specific Division in the Department of Consumers Affairs that handle and have the expertise on Strategic Planning. She explained that they would come out to the location to consult with the commission and facilitate the Strategic Planning process. She asked if the commission was interested she would contact that Division to set up a meeting.

Commissioner Sauter stated that it was a good idea to have a facilitator to help work through the different personalities and the philosophical differences. He did not see any problem with a facilitator as long as he/she was good.

Chairman Soto stated that when he was first appointed to the commission in 1994, during the process of Strategic Planning, the commission would get together and write on a board several ideas of what they wanted to see happen through the year in the sport of boxing and martial arts. He stated that they would write down ideas such as do better for the fighters, etc. Ms. Chilimidos remembered that meeting and stated that the commission contracted out for the Strategic Plan facilitator which ended up costing the commission \$125,000.

Commissioner Sauter stated that doing better for a fighter was not a goal and in the context of the Plan it had to be something concrete. Commissioner Ducheny gave the following example: The commission wants to implement HIV and HBC testing within 30 days. Commissioner Ducheny stated that it would be set as a goal and the commission would seek ways of accomplishing it. Commissioner Sauter concurred.

Commissioner Sauter stated that the meeting would be a policy meeting as well as a Strategic Plan because the commission would have to come up with ideas of what they wanted to accomplish. He noted that pregnancy testing was another issue that needed to be addressed.

Commissioner Michelman concurred with Mr. Lynch's idea to have a meeting to at least get the "ball rolling". He felt that it was the responsibility of the commission to give their input because at the end of the day the commission was accountable for saying what they wanted implemented.

Commissioner Sauter suggested that for a brief period of time there should be a Strategic Plan Committee, which would begin to plan for the upcoming meeting. He asked that staff contact the Department's contact for Strategic Planning. He stated that he would be happy to be a member of the committee and he felt that all persons including the commission, staff, and the Medical Advisory Committee all give input as to what they might feel needed to be set as a goal of the commission. Once all ideas were collected, he stated that the commission could pull from the list.

Mr. Lynch stated that a new committee could be formed. At that point, Commissioner Michelman stated that he would also like to be a member of the committee.

For clarity, Mr. Lynch asked Commissioner Sauter if he wanted to have a pre-Strategic Plan meeting before the actual meeting. Commissioner Sauter concurred and stated that there would probably be more than one. Commissioner Michelman stated that they as a committee could probably draft a Strategic Plan before the actual meeting.

Commissioner Sauter stated that they could also come up with ideas of what they wanted to accomplish, what was the process of the meeting going to be, and how would they get input out of staff and commission members.

Commissioner Sauter stated that the commission should do a study on the sport in California to see how it was changing, what was the economics of it, who was in it, and etc. He noted that he used to use the Graduate School of Business in UC Davis to do projects for a public television station that he used to run in Sacramento. He suggested that at some point the commission could use them to help out with individual projects.

Chairman Soto informed Commissioner Sauter that the commission did not have the budget to take on the cost of contracting out for individual projects. Commissioner Sauter stated that this brought up another concern of his because the commission did not have a Budget Committee. He stated that he did not know how they could run a commission if there was not a Budget Committee. He added that as a commissioner he did not know where the money came from and who oversaw the expenditures. At that point, Mr. Lynch informed Commissioner Sauter that he was responsible for the expenditures and he had hoped to provide the commission with a final version of revenues and expenditures but the State reports would not come out until mid-August. Mr. Lynch ensured the commission that they would have the final version by the September meeting.

Commissioner Sauter asked Mr. Lynch how the report related to the past three years. Mr. Lynch stated that staff could supply him with that information. Commissioner Sauter stated that they could also include into the Plan a projection into the future of a revenue generation standard because it would begin to facilitate other activities by the commission.

Action: Motion by Commissioner Ducheny and seconded by Commissioner Sauter to create the Strategic Plan Committee with the members being Commissioner Sauter, Commissioner Michelman, and Mr. Lynch.

Vote: Unanimous

10. SENATE BILL 694 - SPORTS AGENTS - ACTION

Mr. Lynch reported that this item was placed on the agenda at the request of the Department of Consumer Affairs, Deputy Director of the Legislation and Regulatory Review Division. He informed the commission that they had to adopt a position on whether to oppose, be neutral or support the bill. He stated that SB694, which was authored by Senator Sher, would transfer the registration of athlete agents from the Secretary of State to the Department of Consumer Affairs. He added that the Department could then delegate the registration of athlete agents to the commission. He noted that the bill had already cleared the Senate Committee on Business and Professions and the Senate Appropriations Committee.

Mr. Lynch informed the commission that on June 11, 2001 he and Commissioner Ducheny met with Senator Sher. He stated that the Senator was adamant that the registration process be transferred to the Department because of DCA's licensing experience and enforcement authority. Since this was the case, Mr. Lynch stated that he

and Commissioner Ducheny asked the Senator to consider several amendments, which would make the bill more palatable. He noted that on June 27, 2001, the bill was amended to reflect some of the commission's concerns.

The proposed amendments were incorporated as follows:

- Authority for the Department to delegate administrative powers to the commission via regulation
- Provide expenditure authority via appropriation
- Repeal \$500 and \$400 licensing fees and replace with fee amounts sufficient to fund costs of this program via regulation
- Impose a Surety Bond Requirement
- Verify Trust Fund validity
- Implementation date of July 1, 2002

The proposed amendments that were not incorporated were as follows:

- Specify if General or Special Fund
- No Fingerprint language
- No Contract Disclosure language

Mr. Lynch informed the commission that on July 9, 2001, the amended version passed the Assembly Governmental Organization Committee and would next be heard in the Assembly Committee on Appropriations.

Mr. Lynch explained that for the commission to inherit the project, the bottom line would be staffing and funding as the commission could not absorb it with existing resources. He stated that if the Governor signed the bill, staff would request a budget of \$389,715 and an increase in staff of three positions. He noted that the annual projected revenues would be \$840,000.

Mr. Lynch stated that he had mixed emotions regarding the bill but it looked like it was on a fast track for approval. Based upon that, Mr. Lynch recommended that they take a support position with additional amendments as needed.

Commissioner Sauter asked Mr. Lynch and Commissioner Ducheny what the imperative was behind the bill. Mr. Lynch stated that the Senator was a member of the Commission on Uniform Laws and the Senator wanted State to State uniformity. Mr. Lynch referred to the chart that Ms. Church created and stated that this was not the case because there was only one other state commission that dealt with athlete agents and they disliked the task. He noted that in all other states the Secretary of State's office still registered athlete agents.

Commissioner Ducheny stated that the problem was nothing was being done because the Secretary of State was not even geared to handle the registration of athlete agents. He explained that some people registered and most did not because there was no fines or

enforcement if they were not registered. He added that that the Senator was trying to move it to Consumer Affairs where there was regulating power and experience.

Commissioner Michelman questioned the amendment, “repeal \$500 and \$400 licensing fees and replace with fee amounts sufficient to fund costs of this program via regulation.” He asked Mr. Lynch where staff got the projected annual revenue figure of \$840,000, what the licensing fees would be, and where the revenues were coming from. Mr. Lynch deferred the question to Ms. Church. Ms. Church stated that there was a change and the new projected annual revenues for 2002-03 would be \$252,000 and for 2003-04 would be \$462,000, which was based on a licensing population of 1200. She noted that the NCAA and the Union Coalition of Athlete Agents provided the 1200 figure. She added that the fees would be \$700 for the initial license and \$600 for the renewal.

Commissioner Sauter asked what the revenue would be in the first year. Ms. Church stated the co-sponsors initially thought that the commission was going to license 600 licensing but she called them and asked how they got that number since California had 19 sports franchises. She explained that they informed her that they were not sure so the sponsors increased the number of projected licensees from 600 to 2400, which led Mr. Lynch to discuss the figures with Mike Curr and they agreed upon the 1200 figure. She noted that in the report 30% of the 1200 projected licensees would register within the first year with the effective date of July 1, 2002. She added that only 360 applicants would actually be licensed. As for how they determined that, she stated that they just guess.

Commissioner Michelman stated that the licensing fee would not be prorated. Ms. Church concurred.

Commissioner Sauter stated that there would be a total expenditure of \$541,000 for fiscal year 2002/03 and the commission’s revenue would \$252,000. At that point, he asked where the \$182,000 would come from. Ms. Church stated that this was one of the concerns of the commission, the Legislative Office, the Budget Office, and the Department because the commission was not going to have the adequate revenues to fund the expenditures that the program would cost the commission during next fiscal year. She noted that the commission was going to have to hire three new staff members, implement the whole program, develop the forms and applications, and attain new office equipment, which the cost would surely exceed the revenues. She added that the commission was going to have to ask the Department for loan or the commission would have to request a deficiency budget change proposal with the Department of Finance to seek the extra money.

Chairman Soto asked Mr. Lynch if the commission would have to create a special fund for athlete agents. Mr. Lynch informed him that they would and the commission could not use the funds for anything else except athlete agents.

Commissioner Sauter asked Mr. Lynch what happened in 2003/04 projection because the annual operating cost dropped to \$322,000. He asked if the cost was considered stable and if there would be raises, inflation, and cost of living. Ms. Church informed him that it was already taken into consideration because when it came to staff the Legislature did not give the commission the appropriation to increase the amount due to cost of living increase. Commissioner Sauter asked why did the revenue drop in the subsequent years from \$462,000 - \$367,000 - \$396,000 and how did staff get to those figures. He added that he was curious because the revenue was dropping through the years when it should be increasing. Ms. Church stated that the renewal was every two years with the renewal fee of \$600. Commissioner Sauter stated that it did not explain the figures.

Commissioner Sauter informed Ms. Church that he thought that she did a tremendous amount of valid work for the commission in surveying all the different states but outside of that he did not feel that the figures added up. He asked the commissioners for their input.

Commissioner Ducheny stated that if the Legislature wanted to pass the Bill they were going to have to pay for it because the commission could not absorb the cost. Commissioner Sauter stated if that was the case then the commission should have the most realistic and generous figures that the commission could get its hands on so that the Legislature would know where they were going with it in terms of money. Commissioner Ducheny stated that Senate Appropriations Committee would have to deal with that because they passed it. At that point, Commissioner Sauter asked where the Senate Appropriations Committee got their cost figures and if their figures coincided with the commission's. Commissioner Ducheny stated that he did not know and the commission could not ask the Senate Appropriations Committee for an accounting of their figures. He noted that the Senate Appropriations Committee and the Assembly Appropriations Committee were two of the hardest Committees to get bills passed through but this bill was on a fast track and it was going to go through.

Commissioner Michelman stated that he believed that the Senate Appropriations Committee had to receive some type of report that would be public record, which dealt with the cost figures. Commissioner Sauter concurred and stated that if they were basing their figures on figures different than that of the commission the commission should know. Commissioner Michelman stated that if the commission was going to support the bill they should be able to see what everyone was supporting so that it would not result into everyone supporting different things or opposing different things.

Mr. Lynch stated that the Department's Budget Office prepared the report. Commissioner Sauter asked Mr. Lynch if he was interpreting that the Department's report was the same as the Senate Appropriations Committee. Mr. Lynch concurred.

Chairman Soto asked if the commission was going to vote to support the bill or were they just going to discuss the issue.

Commissioner Ducheny stated that when he and Mr. Lynch met with Senator Sher they gave him the amendments, which were almost all accepted. He asked the commission how they could come back to Senator Sher and not support the bill after the Senator already addressed most of the commission's concerns by amending the bill. He added that if the commission did not support it, it could result into a conflict and the next time the commission would seek legislation they might remember it.

Commissioner Sauter asked Mr. Lynch if staff had any guidance from the Department. Mr. Lynch informed him that the Department did not want it but they took a neutral position. He suggested that instead of opposing or supporting the bill the commission could take a neutral position. He noted that even the Department of Finance took a neutral position. Commissioner Sauter stated that fundamentally it would be a token expression because it was going to happen anyway. Mr. Lynch concurred.

Commissioner Ducheny stated that he did not agree with Mr. Lynch's recommendation and he would support a motion to support the bill with additional amendments.

Commissioner Sauter asked what three amendments were not included. Mr. Lynch provided him with the following:

- Specify if General or Special Fund
- No Fingerprint language
- No Contract Disclosure language

Commissioner Sauter asked Mr. Lynch what he felt was the most important of the three. Mr. Lynch stated that the "No Fingerprint Language" was. Commissioner Sauter asked Mr. Lynch why the "No Fingerprint Language" was more important than the "Specify if General or Special Fund" amendment. Commissioner Ducheny stated that the commission had to regulate the athlete agents and with fingerprints staff would be able to tell if the applicant(s) had a past criminal record.

Commissioner Michelman stated that everything that had been submitted to him so far showed that most of the amendments were included. As far as the "No Contract Disclosure Language", he was not so certain because he wanted to see what the "meat" was behind the dispute and he presumed that it had to be disclosed some where. He felt that fingerprinting was a must for regulating athlete agents so that the commission could know their past. In his opinion, Commissioner Michelman stated that it seemed that there would be enough money to regulate athlete agents and he would vote to support the bill.

Commissioner Sauter asked the commission if they had any concerns of a highly contentious area that the commission would be working in that would be filled with thieves. He stated that the agents made well over \$900,000 a year and attained the services of great attorneys and he did not feel that the commission was capable of dealing with any situation that would arise.

Commissioner Michelman stated that the commission might find itself in some situations but he did not feel that the alternative was the way to go. He added that just because there might be bumps in the road the commission should not try to pass the registration of athlete agents off to someone else.

Commissioner Sauter stated that he was opposed to it because it was ill advised, it's bad for the commission, it would take the commission places it did not need to go, and it would distract the commission from its true responsibility; however, since the Legislature was set on passing the bill whether the commission liked it or not he deferred to Commission Ducheny for a recommendation.

Commissioner Ducheny stated that the Legislature would have to provide an adequate amount of funding for the commission to regulate athlete agents and if they did not the commission could request additional funding. He added that if they did not provide enough money to regulate it then they would get what they paid for.

Commissioner Michelman stated that if the project revenue numbers that were represented were accurate the program would work fine but if they were inaccurate the commission could go back to the Appropriations Committees to inform them that they provided the commission with bogus numbers.

Commissioner Sauter stated that the commission already knew that there was going to be a problem with the first year and he recommended that it be addressed. He deferred staff as to how that problem was going to be addressed. At that point, he stated that he would entertain a motion.

Mr. Lynch informed the commission that the burden would not fully fall on the commission because in the Department's write up, with the commission's input, it stated that in order to fully enforce the mandate the commission would require the assistance of the Division of Investigation to investigate complaints, verify documentation and to attend hearings. The Office of the Attorney General and the Office of Administrative Hearings would also be required to attend meetings and/or hearings to provide legal counsel.

Commissioner Sauter stated that the main concern that he had was for the college level athletes and the relationship that they would have with the athlete agents because he did not feel that the commission would be effective in protecting the well being of the college athletes.

At that point, Mr. Chang cited a section in SB694 that stated, "The bill would authorize the department, by regulation, to delegate its administrative powers and responsibilities required by the act to the State Athletic Commission." He stated that he thought that this meant that it needed the commission's consent to take on the responsibility. He explained that if the commission felt that there was not sufficient funding for the program and the bill was chaptered it could possibly be too late to raise its concerns because if the

Legislature did not approve the additional funding the commission would still be stuck with the program.

Commissioner Ducheny stated that the commission's neck was out there and not the Department's because the Department already took a neutral position. He added that he was not concerned with the funding because he knew that if the commission requested the additional funding they had a greater chance of getting it since the bill was on a fast track. He explained that no matter how the commission voted, the bill was going to be passed so he recommended that since the "ball was in the commission's hand" they should vote to support the bill.

Mr. Plowman asked Commissioner Ducheny if he wanted to support the bill as amended. Commissioner Ducheny concurred.

Commissioner Michelman asked that if the commission mutually accepted the program could it later reject it. Mr. Chang stated that he did not know but with any delegation of assignment there usually was a requirement for mutual consent and a clause that entailed a formal review which either party could terminate it based upon some sort of notice. He added that he thought that the commission had a little leeway and they did not have to come out of the meeting with a position to oppose it because they might have a catch on clause which would allow the commission to say that they did not want the delegation.

Mr. Plowman stated that the bill was a licensing program which was basically carried by a special interest group that in a sense wanted to monopolize a certain area of business so they went to the Legislature to have the bill passed. He noted that this bill was not created by several years of study and research but it was indeed a classic special interest type of licensing or registration program. He added that every year the Department received numerous proposals of new licensing programs such as Astrologers and Fortunetellers.

Mr. Plowman stated that the main problem would be creating a category of people as licensees but the people who were actually licensed were not necessarily going to be the ones performing the athlete agent duties. He explained that a person could apply for the license as an athlete agent but that person would be a front man because someone else was actually using the license to operate. He added that the commission did not have the insight or the know how with curtailing this type of situation.

Mr. Plowman stated that there was another problem because there were going to be people setting up trust funds and other types of funds that were supposed to be under the California Enforcement Program. He noted that shouldn't that money be in California. He stated that if there were supposed to be contracts shouldn't those contracts be filed with the commission. He added that the commission was in the dark and since the commission would be the service agents for those people it was definitely going to invite the commission into everyone of their lawsuits.

Commissioner Ducheny asked Mr. Plowman if his comments were correct why was the Department neutral on the bill. Mr. Plowman stated that he did not know. Commissioner Ducheny asked if the Department was aware of the comments that Mr. Plowman made. Mr. Plowman stated that he did not know because he did not work for the Department he worked for the commission.

At that point, Mr. Plowman suggested that the commission needed to seek an amendment which would allow the commission to do backgrounds on people who were in corporations and if it was going to be a corporate agency with a responsible managing employee or a responsible managing officer that should be made very clear. At that point, Commissioner Ducheny asked Mr. Plowman if he wanted to include that as another proposed amendment. Mr. Plowman concurred.

Mr. Plowman thought that the citation that was in the bill regarding the enforcement authority being self contained in their article was too limited and he felt that since this was being delegated to the Department the commission should have all the authority that was listed in the front of the Business and Profession Code. He stated that it especially needed the 400 series, which dealt with the convictions of crimes. He added that the commission needed to use the language that the Department used to describe the convictions of crimes that were substantially related to the qualifications, functions and duties. He noted that the commission should also look for language that dealt with physical crimes.

Chairman Soto asked if there were any more questions or comments.

Action: Motion by Commissioner Sauter and seconded by Commissioner Ducheny that the Athletic Commission accept in principal the responsibility of licensing athlete agents and urge Commissioner Ducheny to fine a quick and appropriate accommodation on the issues of budgeting and fingerprints.

Vote: Unanimous

11. RULE 294 - EMERGENCY EQUIPMENT REQUIRED - ACTION

Mr. Lynch stated that it was the consensus of the Medical Advisory Committee that all professional and amateur boxing/martial arts events be required to have an ambulance on site at each event. He noted that it appeared that California was the only state that did not require an ambulance at every event. He informed the commission that staff surveyed the following states in regard to this issue: New Jersey, Nevada, Texas, Pennsylvania, Florida, Oklahoma, New York and Missouri. He added that each of the states required the presence of an ambulance at each venue staffed by either 2 paramedics or 2 emergency medical technicians. At that point, he recommended that staffing of choice would be 2 paramedics.

Mr. Lynch informed the commission that the cost of the ambulance and crew would be borne by the promoter and averaged between \$800-\$1000 per event. He stated that he

knew there would be some promoters who might take exception to the requirement, however, he asked that the promoters keep in mind the health and safety of the fighters.

At that point, Mr. Lynch recommended that the commission approve the requirement of ambulances at all professional and amateur boxing and martial arts events. He noted that if the commission approved the presence of ambulances, staff would submit regulatory language to amend Rule 294 at the September meeting. He added that if the proposed language was acceptable, the regulatory process would take 6-9 months to implement.

Action: Motion by Commissioner Michelman and seconded by Commissioner Ducheny to require ambulances at all professional and amateur boxing and martial arts events.
Vote: Unanimous

12. PROCESS FOR CONDUCTING COMMITTEE MEETINGS - ACTION

Commissioner Michelman stated that the intent of this item arose from the Medical Advisory Committee Meeting. He explained that everyone just showed up, there was no direction, and no reports or materials were supplied in advance for review.

At that point, Mr. Lynch stated that the intent of this item was to clarify the protocol for conducting Advisory Committee Meetings:

- The commission, by majority vote, will call all Advisory Committee meetings
- The commission will set the agenda for the meeting with committee member(s) input
- Staff will make arrangements for the meeting site and necessary equipment
- Committee meetings will be directed by the chairperson of the specific committee; however, all commission members in attendance shall be free to voice their concerns
- Committee meetings are subject to the Open Meetings Act (i.e. notice, a quorum to vote)
- All issues decided upon by a Committee will be presented to the full commission for final action.

Action: Motion by Commissioner Sauter and seconded by Commissioner Ducheny to approve the protocol with any additions the commission might wish to consider.
Vote: Unanimous

13. CONTINUING EDUCATION - ACTION

Commissioner Michelman stated that he would like to see the commission set up a mandatory continuing education program for all licensees where every year they would have to sit through "X" amount of units on various subjects. He noted that there would be a nominal fee of \$1-\$25. He added that this program would get the information to all licensees on the rules and regulations of the commission and they could also learn and make comments on pending subject before the commission such as pregnancy testing.

He explained that it would take legislative movement to get the “ball rolling” and to set the process of getting legislation passed to institute mandatory education for all licensees.

Commissioner Sauter asked if this issue should be included as a goal for the commission’s Strategic Plan. Commissioner Michelman concurred.

Action: Motion by Commissioner Sauter and seconded by Commissioner Michelman to support the principal of continuing education and begin a planning process which would result in it being included in the Strategic Plan for the coming year.

Vote: Unanimous

Commissioner Ducheny stated that it was going to be difficult for the commission to find an author to carry this type of legislation through because some people might not be able to afford it or reach the places that the classes would be held. Commissioner Michelman stated that for example he as a lawyer had received credits for reading an article, answered five questions, and mailed it back with a \$1.00 check. He stated that something of that nature could be created but his main goal was to at least begin to look into whether or not it made sense to seek legislation for continuing education.

Commissioner Ducheny stated that he did not have a problem with looking into it but he just wanted to inform him of the hurdles.

14. BEETEAVAN SCOTTLAND VS. GEORGE JONES - BOUT REVIEW - INFORMATION

During open session, the commission reviewed and made comments on this bout; however, due to the ongoing litigation in New York surrounding this bout the comments were not recorded into written record.

It should be noted that Mr. Larry Rozadilla and Dr. Paul Wallace provided an in-depth verbal report of the occurrences of Beeteavan Scotland vs. George Jones bout.

15. COMMITTEE REPORTS - INFORMATION/ACTION

15.1 Arbitration Committee Report

Mr. Lynch stated that he and Mr. Plowman conducted three out of five arbitration hearings about two weeks ago and there were two more that were in the process of being set for hearings.

Chairman Soto asked Mr. Lynch if all of the arbitration hearings were held in Southern California. Mr. Lynch stated that they occur wherever the licensees were located. At that point, Chairman Soto asked Mr. Lynch to supply all of the commissioners with a list of upcoming arbitration hearings so that any commissioner interested could attend. Mr. Lynch concurred.

15.2 Pension Plan Review Committee Report

This item was addressed in agenda item 6.

15.3 Medical and Safety Standards Advisory Committee Report

There was nothing to report.

15.4 Legislative Committee Report

There was nothing to report.

15.5 Officials' Committee Report

Vice-Chairman Costa stated that he had received several referee evaluations from staff and he noted that Mr. Larry Rozadilla was a good evaluator because if he saw something that needed improvement he would note it on the evaluation form. He added that most of the time the officials had post meetings to discuss the events and if there was something wrong everybody had a chance to give their input. He noted that all of the evaluations were satisfactory and he tried to keep the veteran referee evaluations separate from the new referees as to compare the notes.

Vice-Chairman Costa stated that he was concerned about the San Francisco fight because there was no referee evaluator present to evaluate the referee. He noted that everyone was very busy during the event.

Vice-Chairman Costa stated that that he received the salary report on all of the officials and he commended Ms. Rebecca Alvarez for her hard work and good record keeping. He noted that he used the report to see who was working and what location they worked at the most.

Commissioner Sauter asked Mr. Costa if he had a concern with the compensation levels for the referee and judges. Vice-Chairman Costa stated that he did and he felt that the California officials were the best of all states. At that point, Mr. Lynch stated that the California officials made more money then any other state and he felt that the compensation was quite adequate.

Chairman Soto stated that the referee evaluations that were completed up North were not signed by the referees. Mr. Lynch assured Chairman Soto that it would be corrected. At that point, Chairman Soto asked Mr. Lynch to send a letter to Mr. Hank Elespuru and have him explain why he gave Referee Dan Stell two perfect evaluations and one poor evaluation all in the same night. Mr. Lynch concurred.

15.6 Amateur Boxing Committee Report

There was nothing to report.

16. AGENDA ITEMS FOR FUTURE MEETINGS

Commissioner Sauter stated that he wanted to create some type of analysis as to the health of the sport in California specifically regarding the volume of fights and the revenues generated. He noted that this information would be invaluable to the commission.

17. COMMISSIONERS' COMMENTS AND/OR RECOMMENDATIONS

Chairman Soto stated that he would like to see all fighters disclose all bouts that they had participated in when they apply for licensure in California. Mr. Lynch concurred but stated that most fighters did not know how many fights they had or who they fought. He added that if they listed six the commission still had the sources to find out the fighter's total record. Chairman Soto asked Mr. Lynch why did staff approve Ms. Chase since her record was terrible. Mr. Lynch stated that Ms. Chase had never been knocked out and she fought tough fighters. Chairman Soto stated that if was a regular person that wasn't involved with boxing and he saw the record of Ms. Chase of 1 win and 23 losses he would be amazed that she was allowed to fight. Mr. Lynch stated that she was now retired but he stated that there were several fighters that had poor records that ended up becoming champions such as Hector Lizzaragga.

18. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Kazja stated that in the commission's Rules and Regulations it stated that the commission was required to provide him with a copy of the minutes which he noted that it took him two to three months to get. Mr. Lynch stated that he had responded to that request and informed him that he would be responsible for payment of the staff time for copying the tapes, mail fees, and the actual cost of the blank tapes. Mr. Lynch advised Kazja that he could receive a copy of the written minutes for free.

Kazja stated that in the Rules and Regulations under the California Public Record Act Sections 6252 and 6253 it provided that all materials tapes and everything should be free of charge. Mr. Lynch stated that per legal counsel the commission could charge a fee for the staff time and tapes. Mr. Chang stated that what Kazja was referencing was the guidelines of the Public Record Act but it was not an actual records request. Mr. Chang stated that staff could in fact charge the fees. Kazja stated that \$60.00 was too much for the tapes and he was going to present it to his Senator.

Kazja stated that on the cover of the commission's Rules and Regulations booklet the title was Laws and Regulations Governing Boxing and Martial Arts. He stated that the commission did not regulate Greco Roman Wrestling, Freestyle Wrestling, or even exhibition wrestling since 1989 but the commission still collected state taxes on exhibition wrestling. Mr. Lynch asked Kazja if he read the letter that was sent to him. Mr. Lynch informed Kazja that the commission had every right to collected state taxes on wrestling pursuant to Business and Professions Code Section 18824.

The draft minutes were prepared by:

FRANK MUNOZ

DATE

The final minutes were prepared by:

FRANK MUNOZ

DATE